Strengthening Regulation SHO To Protect All Investors From Naked Short Selling

Dear Chairman Cox and Commissioners Casey, Walter, Aguilar and Paredes:

Since you are having a problem handling the current Legal Short Selling, Naked Short Selling, Failure to Deliver and Failure to Receive, I have decided to aid you by providing a press release for you.

Press Release SEC:

Purpose: To protect all investors, companies utilizing the markets to raise capital, provide transparency, prevent manipulation of U.S. stock markets and return confidence to the U.S. markets.

Effective _________ (you enter the date) the following rules will be strictly enforced by the Security and Exchange Commission and the Department of Justice.

Transactions:

- All transactions will be completed in T+3, no exceptions.

Failure to Deliver & Failure to Receive

- In the case of a FTD an immediate buy-in will occur in T+4.
- All FTD’s will be reported to the SEC on a daily basis, providing the name of the failing entity and the symbol of the failure. This will be public information.
- After an entity has two (2) FTD’s in a calendar month, that entity will be restricted to selling long positions only for the balance of the month. This will be public information.
- If any entity has been restricted two (2) times in a calendar year, they will be restricted to selling long positions only for the remainder of the calendar year and the information will be turned over to the DOJ for possible prosecution for fraud. It is illegal to sell something you do not own or have the right to sell. This will be public information.
• Continued abuse of settlement requirements, restrictions in two (2) calendar years in a five (5) year period, will result in loss of ability to trade in U.S. markets.
• In the case of a FTR the receiving entity (account holder) will be notified of the failure.
• All current FTD/FTR’s must be cleared within thirty (30) calendar days. If an entity fails to clear current FTD’s an immediate buy-in will occur on day 31 or the first business day after day 30. The failing entity will be reported to the SEC as noted above.

Legal Short Selling

• It is legal to short a stock as long as you have a firm loan commitment. Lack of a firm loan commitment will be regarded as a naked short sale and will be handled as such.
• If a broker/dealer has loaned shares from an account, the broker/dealer must notify the account holder of the loan at the time the loan occurs.
• In order to provide account holders with current information, broker/dealers will notify all account holders within five (5) calendar days of the effective date of this order shares that have been loaned from their account(s).

After implementation of these rules, the only IOU’s in an account holders account should be for shares legally loaned for short sales.

The SEC realizes that the implementation of these rules will cause some volatility in the markets. However, it is not the SEC’s responsibility to protect those entities that have broken the law by illegal naked short selling.

We strongly feel that the implementation of these rules will provide for transparency in the markets, protect companies seeking to use the markets to raise capital and protect individuals.

End Press Release

There is nothing difficult about the above press release and it does not require any new laws. All the above requires is enforcement of current laws. I look forward to seeing such a press release from you in the very near future, before we have a systemic collapse of the U.S. markets, individuals lose their life savings and retirement funds and companies turn to foreign markets to raise capital.

Thank you for your consideration.